

INCOMING TELEGRAM

Department of State

59-W

Action

EUR

Info

RMR

W

L

INR

H

P

E

REP

IRC

DCL

USIA

CIA

UNCLASSIFIED

Classification

Control: 18052

Rec'd: JANUARY 30, 1959
7:40 PM

FROM: LUXEMBOURG

TO: Secretary of State

NO: COLUX 153, JANUARY 30

PRIORITY

SENT DEPARTMENT COLUX 153, REPEATED INFORMATION BONN COLUX 43
BRUSSELS COLUX 33 THE HAGUE COLUX 29 LONDON 32 PARIS COLUX 63
ROME COLUX 31

BRUSSELS ALSO FOR USEC. PARIS ALSO FOR USR.

TEXT OF HIGH AUTHORITY RECOMMENDATION ON COAL IMPORTS BEING
TRANSMITTED GERMAN GOVT AND OTHER MEMBER GOVTS THIS EVENING.
BODY OF TEXT FOLLOWS IN UNOFFICIAL TRANSLATION. RECOMMENDATION
WILL BE OFFICIALLY PUBLISHED IN COMMUNITY GAZETTE IN FEW DAYS.

QUOTE

HIGH AUTHORITY,

CONSIDERING THAT COAL ENTERPRISES OF COMMUNITY HAVE BEEN FACED
FOR SEVERAL MONTHS WITH SERIOUS MARKETING DIFFICULTIES, DUE IN
PARTICULAR TO A REDUCTION IN DEMAND FOR CERTAIN FUELS AND
COMPETITION FROM COAL IMPORTED FROM THIRD COUNTRIES; THAT THESE
MARKETING DIFFICULTIES ARE CAUSING AN EXCEPTIONAL ACCUMULATION OF
STOCKS AND INTRODUCTION OF FREE SHIFTS (JOURS CHOMES RPT JOURS
CHOMES);

CONSIDERING THAT THIS SITUATION IS ESPECIALLY NOTICEABLE
ON TERRITORY OF FEDREP OF GERMANY WHERE COAL IS IMPORTED FROM
THIRD COUNTRIES IN RELATIVELY INCREASED AMOUNTS AND UNDER CONDITIONS
SUCH THAT THESE IMPORTS THREATEN TO CAUSE SERIOUS PREJUDICE TO COAL

PRODUCTION

UNCLASSIFIED

-2- COLUX 153, JANUARY 30, FROM LUXEMBOURG.

PRODUCTION IN COMMON MARKET NOTABLY BY IMPERILING CONTINUITY OF EMPLOYMENT; CONSIDERING THAT COMMERCIAL POLICY MEASURES TAKEN TO DATE BY FEDREP ARE ALONE NOT RPT NOT SUFFICIENT TO MEET THIS SITUATION;

CONSIDERING THAT ART 57 OF TREATY OBLIGES HA RPT HA TO HAVE RECOURSE PREFERABLY TO INDIRECT METHODS, AMONG WHICH ARE INCLUDED INTERVENTIONS AS REGARDS COMMERCIAL POLICY, BEFORE APPLYING MEASURES PROVIDED FOR IN ART 58;

CONSIDERING THAT WITH LONG-TERM IMPORT POLICY IN VIEW IT IS NECESSARY TO SAFEGUARD TRADITIONAL IMPORT PATTERNS OF THE COMMUNITY IN ORDER TO OBTAIN REGULAR SUPPLY OF THE MARKET;

RECOMMENDS TO GOVTS OF MEMBER COUNTRIES OF COMMUNITY THE FOL:

A) TO GOVT OF FEDREP OF GERMANY

AS TEMPORARY MEASURE TO LEVY ON COAL ORIGINATING IN THIRD COUNTRIES AND DESTINED FOR FEDREP CUSTOMS DUTIES AFFECTING IMPORTS EXCEEDING A DUTY-FREE QUOTA:

1. AMOUNT OF SUCH CUSTOMS DUTIES SHOULD NOT RPT NOT EXCEED TWENTY DM RPT DM PER TON;
2. FOR YEAR 1959 DUTY-FREED QUOTA SHOULD NOT RPT NOT BE LOWER THAN FIVE MILLION TONS, IT BEING UNDERSTOOD THAT IF CHANGES IN SITUATION SO REQUIRE HA RPT HA WILL RECOMMEND TO GOVT OF FEDREP CHANGES IN DUTY-FREE QUOTA IT WILL HAVE ESTABLISHED;
3. IN APPLYING QUOTA FEDREP SHOULD AVOID ALL DISCRIMINATION;
4. GOVT OF FEDREP IS AUTHORIZED TO CONTROL ORIGIN TO EXTENT NECESSARY FOR APPLICATION OF MEASURES RECOMMENDED.

B) TO GOVTS OF OTHER COUNTRIES OF COMMUNITY

IF NEED SHOULD ARISE, TO TAKE NECESSARY MEASURES PERMITTING APPLICATION OF MEASURES RECOMMENDED TO GOVT OF FEDREP OF GERMANY, PARTICULARLY AS CONCERNS CONTROL OF ORIGIN OF COAL FROM OTHER COUNTRIES OF COMMUNITY DESTINED FOR FEDREP OF GERMANY.

THIS

UNCLASSIFIED

-3- COLUX 153, JANUARY 30, FROM LUXEMBOURG.

THIS RECOMMENDATION WILL BE PUBLISHED IN OFFICIAL GAZETTE OF
COMMUNITIES AND COMMUNICATED TO GOVTS OF MEMBER STATES; IT IS
BINDING UPON COMMUNICATION.

UNQUOTE

BUTTERWORTH

SLS/21

UNCLASSIFIED